

**PUBLIC CHAPTER NO. 867**

**HOUSE BILL NO. 2976**

**By Representatives Winningham, Cooper, Maddox, Hardaway, Harry  
Brooks, Hood, Fitzhugh, Shaw, Bone, Litz, Odom, Towns, DuBois,  
Hackworth**

**Substituted for: Senate Bill No. 3282**

**By Senators Tracy, Burks, Woodson, Berke**

AN ACT to amend Tennessee Code Annotated, Title 49, relative to career and technical education.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 49-3-318, is amended by deleting subsection (a) in its entirety and substituting instead the following:

(a)

(1) Such annual appropriations as are made for career and technical education, including all of the related programs for which funds have been or may be authorized or appropriated by any present or future federal act or acts having to do with or related to career and technical education shall be administered by the state board for career and technical education, through its executive officer, in accordance with the state plan for career and technical education adopted by the board and approved by the United States department of education.

(2) Funds generated by the career and technical education components of the state funding formula may be used to match, as required by federal statute or statutes, funds appropriated and paid over by the federal government for the same purpose as the appropriation made for career and technical education, as referred to in this section.

(3) All expenses of administration of funds appropriated for career and technical education, as referred to in this section, shall be paid from funds generated by the career and technical components of the state funding formula as supplemented by funds received from the federal government.

(4) However, the state board, through its executive officer, is hereby authorized to expend funds generated by the career and technical education components of the state funding formula for

any phase of career and technical education, as referred to in this section, in any proportionate amounts for each program as it may deem necessary in order to effectuate a unified program of career and technical education in the state.

SECTION 2. Tennessee Code Annotated, Section 49-3-318, is amended by redesignating present subsection (b) as subsection (c) and by adding the following language as new subsection (b):

(b)

(1) Notwithstanding any provision of subsection (a) or other law to the contrary, in any fiscal year in which funds are appropriated for career and technical education above and beyond the funds available through the Tennessee BEP for career and technical education, such additional funds shall be used to provide a system of grants to improve and enhance career and technical education. The department of education through its division of career and technical education shall establish, develop, administer and monitor the system of grants. Guidelines for the system of grants shall be developed by the division of career and technical education in consultation with the Tennessee Directors of Career and Technical Education. Such system shall consist of three (3) grant programs as follows:

(A) Annual grants to each LEA that provides a program of career and technical education for:

(i) Acquisition, replacement, upgrade, maintenance and repair of materials, supplies and equipment necessary to provide, enhance and improve career and technical education programs that meet or exceed current industry standards; and

(ii) If provided in the guidelines adopted by the division of career and technical education, enhancement of employment opportunities for career and technical education directors.

All funds appropriated for grants under this subdivision (A) shall be allocated and credited for distribution through the grant program in the same manner in which state funds are allocated and distributed to LEAs through the BEP funding formula in effect for that fiscal year;

(B) Competitive grants awarded by the department to LEAs to provide funding for:

(i) Starting new career and technical education programs that meet current industry

standards, particularly in high demand, high wage industries;

(ii) Maintaining and enhancing high quality career and technical education programs that lead directly to employment or to postsecondary education; and

(iii) Implementing innovative exemplary career and technical programs that have potential for replication in other areas of the state; and

(C) Grants awarded by the department with representation from the Tennessee Council of Career and Technical Education to public four-year institutions of higher education for research in career and technical education, including, but not limited to, development of innovative programs and best practices to meet the needs of Tennessee students and industries. Such grants shall be made, as nearly as practicable, to public four-year institutions in each of the three (3) grand divisions. Institutions receiving such grants shall report to the speaker of the house of representatives, the speaker of the senate and the education committees of the house and the senate concerning the results obtained through the grant funding no later than October 1 in each of the four (4) years following the year in which the grant was made.

(2) The program of competitive grants instituted pursuant to subdivision (1)(B) shall assure that all applicant LEAs receive at least one (1) grant in any three-year period.

(3) If during a fiscal year no public four-year institution of higher education is awarded a grant under subdivision (1)(C), then any funds allocated for such purpose shall be used for grants to LEAs under subdivision (1)(B). If during a fiscal year, not all funds allocated for grants under subdivisions (1)(B) are expended, then all such funds together with any remaining funds that have not been allocated and expended under subdivision (1)(C) shall be allocated and expended in that fiscal year to increase the amounts of all grants awarded under subdivision (1)(A).

(4) The commissioner of education annually shall measure the success of programs started with grants awarded pursuant to this subsection and shall report in writing the grants awarded in the previous fiscal year, the amount of such grants, the programs started in each fiscal year as the result of such grants, outcomes of such programs and such other information as is necessary to evaluate the effectiveness of the grants. The report shall be filed with the speaker of the house of representatives, the speaker of the senate, the education committee of the house of

representatives and the education committee of the senate by October 1 of each year.

(5) The use of grant funds shall be subject to audit by the office of the comptroller of the treasury.

(6) The commissioner is authorized to promulgate rules and regulations to effectuate the purposes of this act. All such rules and regulations shall be promulgated in accordance with the provisions of Tennessee Code Annotated, Title 4, Chapter 5.

SECTION 3. The provisions of this act shall not be construed to be an appropriation of funds and no funds shall be obligated or expended pursuant to this act unless such funds are specifically appropriated by the general appropriations act.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.

**PASSED: April 21, 2008**

  
JIMMY NAIFEH, SPEAKER  
HOUSE OF REPRESENTATIVES

  
RON RAMSEY, SPEAKER  
SENATE OF THE SENATE

**APPROVED this 6th day of May 2008**

  
PHIL BREDESEN, GOVERNOR